

**CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION**

**FINANCIAL STATEMENTS**

**31 MARCH 2018**

**Company No 00560870**

**Registered Charity No 210443  
Registered Social Landlord H1720**

**CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

**FINANCIAL STATEMENTS**

**for the year ended 31 March 2018**

**CONTENTS**

	<b>Pages</b>
Company information	1
Strategic report	2 – 3
Directors' report	4 – 5
Statement of directors' responsibilities and internal controls	6 – 7
Auditor's report	8 – 10
Income and expenditure account	11
Balance sheet	12
Cash flow statement	13
Notes on financial statements	14 – 25

**CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

**COMPANY INFORMATION**

**31 March 2018**

<b>Registered Company Number</b>	00560870	
<b>Registered Charity Number</b>	210443	
<b>Registered Social Landlord</b>	H1720	
<b>President</b>	Rev. Canon Neville Black MBE	
<b>Vice-Presidents</b>	L Ellman MP P Hinton	
<b>Directors</b>	P Shackell I Johnson W Lawlor M Compton-Rickett S Abrams J Price R Spowart D Lucy L Douglas Revd M Montrose	Chairman        (Appointed 18/09/2017) (Appointed 21/05/2018)
<b>Secretary and Chief Executive</b>	E McNeil	
<b>Registered Office and Principal Place of Business</b>	15 Leeds Street Liverpool L3 6HU	
<b>Bankers</b>	Barclays Bank PLC 48B & 50 Lord Street Liverpool L2 1TD	
<b>Solicitors</b>	Weightmans LLP The Plaza 100 Old Hall Street Liverpool L3 9QJ	
<b>Auditors</b>	Cowgill Holloway LLP Regency House 45-53 Chorley New Road Bolton BL1 4QR	

# **CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

## **STRATEGIC REPORT**

**31 March 2018**

The directors present the strategic report for the year ended 31 March 2018.

### **Business review**

The directors are satisfied with the results for the year which were achieved in a difficult trading environment for charitable organisations generally. The Association had a busy year with the successful incorporation of YMCA Sefton into our business; and we added to our portfolio of support with a new contract for dispersed support at our family accommodation services. The directors are confident that the Association will continue to fulfil its objectives in pursuit of its mission.

### **Main achievements during the year**

During the year, YMCA Sefton a community-focused non-profit organisation with recreational programmes and services for all ages was acquired. It is our intention to promote the health and wellbeing opportunities of our acquisition in the local community. Further details of the Association's performance and achievements are contained within its Value for Money statement and latest Annual Report which are available on request and from our website at [liverpoolymca.org.uk](http://liverpoolymca.org.uk).

### **Future developments**

The YMCA is keen to develop new services in pursuit of their aims and objectives and continue to offer high quality services to the public sector. In the next twelve months there remains the potential for sustainable growth through contracts in the healthcare and complex needs arena. The Association aims to keep its accommodation at affordable rents and in a properly maintained condition.

### **Fixed Assets**

Changes in fixed assets are given in note 8 to the financial statements.

### **Key Policies**

The Association has in place a risk management document which sets out risks and their likelihood of occurrence. The document also covers the process for the monitoring and hence mitigation of risks where possible.

Details of the Association's financial risk management objectives and policies are disclosed in note 21 to the accounts.

### **Reserve Policy**

The City of Liverpool YMCA reserves policy objective is to hold adequate funds to establish an appropriate level of working capital and to maintain the long-term viability of the organisation. Our aim is to retain sufficient free reserves equivalent to approximately six months forward expenditure to cover essential staff and overhead costs.

**CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

**STRATEGIC REPORT**

**(continued)**

**31 March 2018**

Revenue reserves represent:-

- a) Funds that have been expended on financing fixed assets.
- b) Funds required to settle liabilities in advance of the receipt of income relating thereto.
- c) Funds arising from the excess of income over expenditure on the revenue account and which are freely available to spend.

The reserve policy adopted by the Board would mean there should be sufficient cash to run the hostel and maintain the small administration and management team for a period of six months. This would give the YMCA sufficient time to restructure in the event of a major change in circumstances. The amount would be about £200k to £250k.

**Public benefit**

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives (as set out above) and in planning future activities and setting appropriate policies for the year.

By order of the Board



E. McNeil  
Secretary

17 September, 2018

# **CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

## **DIRECTORS' REPORT**

**31 March 2018**

The directors present their report and accounts for the year ended 31 March 2018.

### **Principal activities**

The City of Liverpool YMCA continues to carry on developing and extending the work of the YMCA in Liverpool and Merseyside on a strictly non-political and non-sectarian basis and generally to provide and assist the advancement of the spiritual, intellectual and physical condition of young people in accordance with and by such means as are consistent with the recognised principles and objectives of the Young Men's Christian Association. YMCA is a Christian Organisation which helps homeless people work through the issues that have made them homeless by providing residential and support services.

### **Status**

The Association is a registered charity (charity number 00210443), is limited by guarantee and does not have a share capital. The company (company number 560870) is also required to comply with accounting requirements for Registered Social Landlords (H1720).

### **Directors**

The directors holding office during the year were:

Phil Shackell	Chairman
John Tolen	(Resigned 18/09/2017)
Ian Johnson	
Winnie Lawlor	
Mary Compton-Rickett	
Robert Spowart	
Simon Abrams	
Jayne Price	
Edward Naylor	(Resigned 20/11/2017)
Dalite Lucy	
Louise Douglas	(Appointed 18/09/2017)
Rev'd Michelle Montrose	(Appointed 21/05/2018)

### **Corporate Governance and Internal Control**

The Association's Directors act on a voluntary basis. The Association has in place a Board and Committee Structure and meetings take place on a regular basis. The Board carries out reviews of its composition and effectiveness to ensure that its members have a broad range of skills to allow the effective discharge of its responsibilities. An independently facilitated review of Board performance has been commissioned and is currently in progress.

The functions of the Board are formally recorded in the Association's rules and standing orders. Responsibility for day to day management is delegated by the Board to the executive officers; however, the Board have ultimate responsibility for internal controls. The Board receives regular management information and is responsible for the approval of annual budgets and accounts. Information available indicates that the Association is a going concern.

Internal audit work is undertaken relevant to the nature and scale of operations of the Association. The results of this work are regularly reported to the Board. Each trustee holds their own portfolio of work such as HR, Finance, standards etc. Trustees are appointed when the work of the charity expands giving rise to new portfolio's or when an existing trustee resigns. In these circumstances the resigning trustee recommends a replacement, or the trustees advertise the vacancy through adverts or word of mouth. Applicant trustees are interviewed by the Chair and the Secretary and if suitable are nominated to be co-opted on to the Board of Trustees. At the AGM co-opted trustees may be appointed as trustees.

The ongoing training of trustees is described in the Trustee's Handbook and organised by the CEO. At each November board meeting training needs of trustees are agreed for the following year. The Board of Trustees have established an audit committee with a brief to strengthen and improve systems of

**CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

**DIRECTORS' REPORT**  
**(continued)**

**31 March 2018**

internal control, in particular, through closer liaison with internal and external auditors.

The Association's statement on its system of Internal Control under Housing Corporation Circular 25/01 is given on page 7.

The Board has reviewed future forecasts and consider that the Association has adequate resources to continue in operational existence for the foreseeable future and therefore continues to adopt the going concern basis in preparing accounts.

**Results**

The surplus for the year was £835,375 (2017: £61,826 deficit).

**Auditors**

The auditors, Cowgill Holloway LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

**Statement as to disclosure of information to auditors**

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

By order of the Board



E. McNeil  
Secretary

17 September, 2018

## **CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with the applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102: *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Company and registered social landlord legislation requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the method and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



## **CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

### **STATEMENT ON THE ASSOCIATION'S SYSTEM OF INTERNAL CONTROL**

The Board are responsible for the Association's system of internal controls. They recognise that such a system can provide reasonable, but not absolute, assurance against material mis-statement or loss. The main features of the internal control system are:

- Written standing orders and financial regulations which delineate responsibilities and levels of authorities;
- A rolling three year Business Plan which is reviewed annually at a board planning event in November;
- A Risk Register which is formally reviewed at the annual Board planning day and reported on at each board planning meeting;
- Annual budgets, set in the context of a longer term business plan with clear accountability for control of each part of the budget;
- Formal budgetary control arrangements with a monthly reporting cycle;
- Detailed performance reports to each board meeting which include progress against key objectives and risk exposures.
- Board approval of policies and procedures;
- Board review of their effectiveness;
- The use of an internal audit function working in accordance with a programme established through an Audit Needs Assessment.
- An Audit Committee which liaises with internal and external auditors to review and improve systems of internal control and risk management.

The Board will continue to annually review the effectiveness of its systems of internal control and in the coming year will establish formal systems for the stress testing of Business Plans in keeping with regulatory requirements.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE  
CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

**Opinion**

We have audited the financial statements of City of Liverpool Young Men's Christian Association for the year ended 31 March 2018 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Accounts, the Balance Sheet, including a summary of significant accounting policies and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity's trustees, as a body, in accordance with Sections 144 of the Charities Act 2011 and the regulations made under Section 154 of that Act. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept any responsibility to anyone other than the charity or the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- Give a true and fair view of the state of the charity's affairs as at 31 March 2018 and of its income and expenditure for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- Have been prepared in accordance with the requirements of the Companies Act 2006.

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- The trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate;
- The trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charity's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Other Information**

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE  
CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to materially misstate. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit. We have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which the Charities Act 2011 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept;
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**Responsibilities of the trustees**

As explained more fully in the trustees' responsibilities statements, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

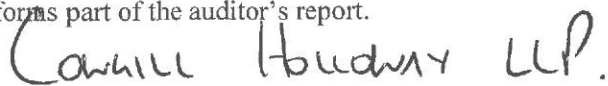
**Our responsibilities for the audit of the financial statements**

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 2011 rather than the Companies Act 2006. Accordingly we have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that act.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE  
CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [[www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities)]. This description forms part of the auditor's report.

  
Cowgill Holloway LLP  
Senior Statutory Auditor  
Regency House  
45-53 Chorley New Road  
Bolton  
BL1 4QR

17 September, 2018

**CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

**INCOME AND EXPENDITURE ACCOUNT**

**for the year ended 31 March 2018**

	<b>Note</b>	<b>2018 £</b>	<b>2017 £</b>
<b>Turnover</b>	2,3	4,148,899	3,683,919
Operating Costs	3	(4,154,417)	(3,745,820)
<b>Operating (deficit)</b>		<u>(5,518)</u>	<u>(61,901)</u>
Interest receivable and other income	6	1,901	75
Exceptional Item: Donation of net assets	22	<u>838,992</u>	<u>-</u>
<b>Surplus/(Deficit) after exceptional and ordinary activities before and after taxation</b>		<u><u>835,375</u></u>	<u><u>(61,826)</u></u>

All amounts relate to continuing activities.

There are no recognised gains or losses other than the result for the year.

**CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

**BALANCE SHEET**

**at 31 March 2018**

	Note	£	2018 £	£	2017 £	£
<b>Fixed assets</b>						
Housing properties – depreciated cost	8	7,749,720		7,075,022		
Less: Social Housing Grant		(3,100,000)		(3,100,000)		
Other grants		(842,931)		(820,063)		
			3,806,789		3,154,959	
Other fixed assets			318,477		305,453	
			<u>4,125,266</u>		<u>3,460,412</u>	
<b>Current assets</b>						
Debtors	9	395,307		286,876		
Cash at bank and in hand		551,698		587,497		
		<u>947,005</u>		<u>874,373</u>		
<b>Creditors:</b> amounts falling due within one year	10	(523,275)		(694,379)		
<b>Net current assets</b>			423,730		179,994	
<b>Pension Deficit</b>	11		(151,045)		(77,830)	
<b>Net assets</b>			<u>4,397,951</u>		<u>3,562,576</u>	
<b>Capital and reserves</b>						
Called up share capital	13		-		-	
Revenue reserves	14		4,397,951		3,562,576	
<b>Total funds</b>	15		<u>4,397,951</u>		<u>3,562,576</u>	

The financial statements on pages 11 to 25 were approved by the Board of Directors and authorised for issue on 17 September 2018 and signed on its behalf by:

P Shackell - Director 

R Spowart - Director 

**Company Registration No. 00560870**

**CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

**CASH FLOW STATEMENT**

**for the year ended 31 March 2018**

	<b>Note</b>	<b>2018 £</b>	<b>2017 £</b>
<b>Cash used in operating activities</b>	20	846,262	534,389
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(883,962)	(133,635)
Interest received		<u>1,901</u>	<u>75</u>
<b>Cash (used in) investing activities</b>		<u>(882,061)</u>	<u>(133,560)</u>
<b>(Decrease)/Increase in cash and cash equivalents in the year</b>		(35,799)	400,829
<b>Cash and cash equivalents at the beginning of the year</b>		587,497	186,668
<b>Total cash and cash equivalents at the end of the year</b>		<u><u>551,698</u></u>	<u><u>587,497</u></u>

# **CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

## **NOTES ON FINANCIAL STATEMENTS**

**31 March 2018**

### **1 Accounting policies**

#### **Company information**

City of Liverpool Young Men's Christian Association (INC.) is a company limited by guarantee incorporated in England and Wales. The registered office is 15 Leeds Street, Liverpool, L3 6HU.

#### **Basis of accounting**

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The financial statements also comply with Schedule 1 to the Housing Act 1996, the Accounting Requirements for Registered Social Landlords General Determination 2006 and follow the recommendations of the Statements of Recommended Practice for Registered Social Landlords issued in 1999 and updated 2008.

City of Liverpool Young Men's Christian Association (INC.) meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy note(s).

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

#### **Going Concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **Turnover**

Turnover represents social housing rental income receivable, revenue grants from Local Authorities and donations and other operating income of the Association (excluding VAT).

#### **Gifts in kind and donations**

Donations include the value of assets donated to the Association which are readily marketable. Gifts in kind are included at their value to the Association; this includes gifts of land and salary costs borne by third parties.

#### **Other grants**

Capital grants are deducted from the cost of capital expenditure and revenue grants included as income in the income and expenditure account.



## NOTES ON FINANCIAL STATEMENTS

31 March 2018

(continued)

**1 Accounting policies (continued)****Pension costs**

The charity makes payments on a money purchase (defined contribution) basis to the individual personal pension schemes of the employees. Contributions payable to this scheme are charged to the profit and loss account in the period to which they relate. These contributions are invested separately from the company's assets in the individuals own personal pension schemes. The individual employees bear all the risk of future returns on the investment performance of the funds invested in their own individual pension fund.

**Value added tax**

The Association charged value added tax (VAT) as appropriate on its income and similarly appropriately recovered VAT incurred on expenditure. The balance of VAT payable at year end is included as a current liability.

**Fixed assets****Housing land and buildings**

Housing properties are stated at cost. It is the policy only to include costs of construction where the certificate is dated before the period end. No development overheads have been capitalised.

**Depreciation****i) Housing properties**

Depreciation of housing properties is effectively recognised by writing down the cost net of grants at rates of 2-4% per annum on the straight line basis. Land is not depreciated.

**ii) Other fixed assets**

The following rates apply:

Fixtures and fittings	-	10-33% per annum on cost
Computer equipment	-	33% per annum on cost
Motor vehicle	-	25% per annum on cost

**Operating leases**

Operating lease rentals are charged in the income and expenditure account on a straight line basis over the lease term.

**Deferred income**

Where revenue grants are received covering expenditure planned beyond the current year, the element of grant received in advance is carried forward.

**2 Turnover**

	2018 £	2017 £
Turnover comprises:		
Residents charges (see note 3)	1,779,581	1,670,565
Government grants – Supporting People income	806,838	860,405
Sundry income	1,550,776	1,187,903
Appeal donations	11,704	6,869
	<u>4,148,899</u>	<u>3,683,919</u>

**CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

**NOTES ON FINANCIAL STATEMENTS**

**31 March 2018**

**(continued)**

**3 a.**

**Rent**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Rent charges receivable	533,874	501,169
Service charges receivable	1,245,707	1,169,396
	<u>1,779,581</u>	<u>1,670,565</u>

Rental income relates to 52 weeks (2017: 52 weeks).

**b. Particulars of turnover, operating costs and operating (deficit)**

	<b>Turnover</b>	<b>Operating Costs</b>	<b>Operating (deficit)</b>
<b>2018</b>	<b>£</b>	<b>£</b>	<b>£</b>
Supported housing	4,148,899	(4,154,417)	(5,518)
	<u>£</u>	<u>£</u>	<u>£</u>
<b>2017</b>			
Supported housing	3,683,919	(3,745,820)	(61,901)

Operating costs include unpaid rent charges written off of £50,636. (2017: £63,517).

**c. Expenditure**

	<b>2018</b>	<b>2017</b>
Costs of generating funds	(4,154,417)	(3,745,820)
Cost of charitable activities	-	-
	<u>(4,154,417)</u>	<u>(3,745,820)</u>
<b>Total</b>		

**CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

**NOTES ON FINANCIAL STATEMENTS**

**31 March 2018  
(continued)**

**d. Particulars of income and expenditure from social housing lettings**

	<b>2018</b>	<b>2017</b>
	<b>Supported housing £</b>	<b>Supported housing £</b>
Rent Receivable net of voids and identifiable service charges	533,874	501,169
Service Income	<u>1,245,707</u>	<u>1,169,396</u>
Turnover from social housing lettings	1,779,581	1,670,565
Government Grants	806,838	818,582
Sundry Income	1,557,796	1,187,903
Appeals Donations	<u>4,684</u>	<u>6,869</u>
<b>TOTAL INCOME</b>	<u><b>4,148,899</b></u>	<u><b>3,683,919</b></u>
<b>EXPENDITURE</b>		
Supporting People Salaries	(579,939)	(625,291)
General Salaries	(1,822,776)	(1,448,815)
Other Operating Costs	<u>(1,751,702)</u>	<u>(1,671,714)</u>
<b>TOTAL EXPENDITURE</b>	<u><b>(4,154,417)</b></u>	<u><b>(3,745,820)</b></u>
<b>OPERATING DEFICIT</b>	<u><b>(5,518)</b></u>	<u><b>(61,901)</b></u>
Voids losses	<u>(65,387)</u>	<u>(16,706)</u>

Rent receivable, service income, losses from voids, general salaries and other operating costs have all been apportioned on the basis of 173 (2017: 168) bed spaces under management during the year. See note 19.

**CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

**NOTES ON FINANCIAL STATEMENTS**

**31 March 2018**  
**(continued)**

**4 Operating (deficit)**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
This is stated after charging the following:		
Depreciation – Tangible fixed assets	219,108	190,732
Auditor's remuneration – in their capacity as auditors	4,725	4,500
Auditor's remuneration – non audit capacity	1,456	5,550
Operating leases – Equipment	16,142	13,376
Operating leases – Property	63,858	69,059
	<u>245,289</u>	<u>253,217</u>

**5 Directors and employees**

**Directors' emoluments**

The directors received no remuneration or payments for expenses in the current or prior year.

**Staff costs**

Aggregate amounts for staff paid in respect of:

Wages and salaries	2,217,132	1,906,425
Social security costs	185,583	167,681
Pension Costs	52,796	45,617
	<u>2,455,511</u>	<u>2,119,723</u>

	<b>Number</b>	<b>Number</b>
The average monthly number of employees (full-time equivalents) employed during the year was as follows:		
Administration	8	7
Housing	30	28
Support	50	47
Nursery	12	-
	<u>100</u>	<u>82</u>

No employees received emoluments of greater than £60,000 during the year.

**6 Interest receivable and other income**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Bank deposit interest	1,901	75
	<u>1,901</u>	<u>75</u>

**7 Tax on ordinary activities**

There is no liability to corporation tax on the result for the year as the Association claims charitable relief under the Finance Act 2010 in respect of the majority of its activities. Taxation losses arise in respect of activities which may not be classed as charitable for taxation purposes.

**CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

**NOTES ON FINANCIAL STATEMENTS**

**31 March 2018  
(continued)**

**8 Fixed assets - Tangible**

	<b>At 1 April 2017</b>	<b>Additions</b>	<b>Disposals</b>	<b>Transfers</b>	<b>At 31 March 2018</b>
<b>Cost or valuation</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Freehold property	7,589,916	775,027	-	-	8,364,943
Fixtures and fittings	883,961	128,203	-	-	1,012,164
Computer equipment	68,915	3,600	-	-	72,515
Motor vehicles	10,495	-	-	-	10,495
<b>Total</b>	<b>8,553,287</b>	<b>906,830</b>	<b>-</b>	<b>-</b>	<b>9,460,117</b>
<b>Other Grant</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Futures project funding	(228,962)	-	-	-	(228,962)
Empty Homes project funding	(334,081)	-	-	-	(334,081)
Our House property donation	(257,020)	(22,868)	-	-	(279,888)
	<b>(820,063)</b>	<b>(22,868)</b>	<b>-</b>	<b>-</b>	<b>(842,931)</b>
<b>Social Housing Grant</b>					
Leeds Street	(3,100,000)	-	-	-	(3,100,000)
<b>Depreciation</b>	<b>£</b>	<b>Charged In year £</b>	<b>Disposals £</b>	<b>Transfers £</b>	<b>At 31 March 2018 £</b>
Freehold property	(514,894)	(100,329)	-	-	(615,223)
Fixtures and fittings	(596,457)	(107,229)	-	-	(703,686)
Computer equipment	(53,590)	(8,926)	-	-	(62,516)
Motor vehicles	(7,871)	(2,624)	-	-	(10,495)
<b>Total</b>	<b>(1,172,812)</b>	<b>(219,108)</b>	<b>-</b>	<b>-</b>	<b>(1,391,920)</b>
<b>Net book value</b>				<b>At 1 April 2017 £</b>	<b>At 31 March 2018 £</b>
Freehold property				3,154,959	3,806,789
Fixtures and fittings				287,504	308,478
Computer equipment				15,325	9,999
Motor vehicles				2,624	-
<b>Total</b>				<b>3,460,412</b>	<b>4,125,266</b>

Other grants comprise National Lottery Charities Board funding of £165,903 (2017: £165,903), European Regional Development funding of £63,059 (2017: £63,059) and Empty Homes Community Grants funding of £334,081 (2017: £334,081). In the year we used a further £22,867 (2017: £257,020) of a capital donation from a YMCA supporter. All of these grants are treated as restricted. The Housing Corporation grant of £3,100,000 (2017 £3,100,000) was made in connection with the Leeds Street building. The grant is repayable only in the event of a sale of the property.

**CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

**NOTES ON FINANCIAL STATEMENTS**

**31 March 2018  
(continued)**

**9 Debtors**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year</b>		
Rental debtors	246,897	211,220
Less provision for unpaid rent charges	(25,000)	(44,000)
Other debtors	103,670	79,370
Prepayments	69,740	40,286
	<u>395,307</u>	<u>286,876</u>

**10 Creditors: amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade creditors	71,452	36,130
Other creditors	29,087	15,254
Accruals and deferred income (see note 12)	352,982	470,375
VAT and social security costs	69,754	172,620
	<u>523,275</u>	<u>694,379</u>

**CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

**NOTES ON FINANCIAL STATEMENTS**

**31 March 2018**  
**(continued)**

**11 Pension Deficit**

Liverpool YMCA has in the past employed staff who were members of the YMCA Pension and Assurance Plan. This is a multi-employer pension plan for employees of YMCA England and member YMCA's. Liverpool YMCA currently has no members in the pension plan and is classed as a dormant YMCA for pension purposes. During the year Liverpool YMCA assumed the pension liability of £98,150 in respect of Sefton YMCA on the incorporation of their business into Liverpool YMCA.

The latest valuation prepared as at 1 May 2014 showed that the YMCA Pension Plan had a deficit of £38.7 million. Liverpool YMCA's share of the deficit amounts to £168,734 (2017: £87,098).

The liability will be payable over a period of 9 years at the rate of £17,689 per annum, commencing 1<sup>st</sup> May 2018.

The pension deficit has been classified as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Amounts due within one year (included within other creditors)	17,689	9,268
Amounts due after one year	151,045	77,830
	<u>168,734</u>	<u>87,098</u>

**CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

**NOTES ON FINANCIAL STATEMENTS**

**31 March 2018**  
**(continued)**

**12 Accruals and deferred income**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Deferred income at 1 April	435,759	56,237
Grant income received in the year	385,563	435,759
Grant expended in the year	(563,051)	(56,237)
Deferred income at 31 March	<u>258,271</u>	<u>435,759</u>
Accruals	<u>94,711</u>	<u>34,616</u>
	<u><u>352,982</u></u>	<u><u>470,375</u></u>

**Deferred Income**

	<b>At 1 April 2017</b>	<b>Grant Income Received</b>	<b>Grant Expended</b>	<b>At 31 March 2018</b>
<b>Cost or valuation</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Mainstay project funding	61,613	182,368	(176,223)	67,758
Merseycare NHS funding	256,167	-	(235,167)	21,000
YMCA supporter Gift Aid funding	75,000	-	(31,668)	43,332
YMCA supporter donation	42,979	-	(22,868)	20,111
Addaction grant for Dutch Farm	-	15,000	-	15,000
Domestic violence dispersed funding	-	129,500	(97,125)	32,375
Southport Nursery advance funding	-	58,695	-	58,695
Total	<u>435,759</u>	<u>385,563</u>	<u>(563,051)</u>	<u>258,271</u>

Deferred income relates to grants received in the year in respect of specific projects, which has been deferred to match it against the projects' expenditure in the period to which it relates.

**13 Share capital**

The Association, which does not have a share capital, is limited by guarantee whereby members contribute up to a maximum of £1 each should there be a deficiency on winding up.



**CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

**NOTES ON FINANCIAL STATEMENTS**

**31 March 2018  
(continued)**

**14 Revenue reserves**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
At 1 April	3,562,576	3,624,402
Surplus/(Deficit) for the year	835,375	(61,826)
At 31 March	<u>4,397,951</u>	<u>3,562,576</u>

**15 Reconciliation of movements in members' funds**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Total funds as at 1 April	3,562,576	3,624,402
Surplus/(Deficit) for the year	835,375	(61,826)
Total funds as at 31 March	<u>4,397,951</u>	<u>3,562,576</u>

**16 Social Housing and other grants**

The cumulative Social Housing Grant received by the Association in respect of property is £3,100,000 (2017: £3,100,000). Other grants comprise £165,903 from the National Lottery Charities Board and £63,059 from the European Regional Development Fund and the Empty Homes Community Grants Project funding towards property acquisition currently amounting to £334,081.

Social Housing Grant received for revenue purposes in the year is £Nil (2017: £Nil).

**17 Legislative provisions**

The Association is a charitable company (charity number 210443) limited by guarantee. The Association is also required to comply with Registered Social Landlord accounting requirements.

**18 Operating leases**

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Expiring within 1 year	8,800	7,779
Expiring between 2 – 5 years	14,303	14,091
	<u>23,103</u>	<u>21,870</u>

**Property leases**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Expiring within 1 year	67,295	69,059
	<u>67,295</u>	<u>69,059</u>

**CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

**NOTES ON FINANCIAL STATEMENTS**

**31 March 2018**

**(continued)**

**19 Bed spaces**

	<b>2018</b>	<b>2017</b>
	<b>Number</b>	<b>Number</b>
Under management at the end of the year:		
Temporary move-on accommodation	17	17
Support contract accommodation	121	121
Refuge accommodation	21	21
Stepping Stones accommodation	14	9
Total	<u>173</u>	<u>168</u>

**20 Reconciliation of net movement in funds to net cash flow from operating activities**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Net movement in funds	835,375	(61,826)
Depreciation charges	219,108	190,732
Interest receivable	(1,901)	(75)
(Increase) in debtors	(108,431)	(60,761)
(Decrease)/Increase in creditors	(97,889)	466,319
<b>Net cash used in operating activities</b>	<u>846,262</u>	<u>534,389</u>

For the purposes of FRS 102 the Association classifies all deposits which can be accessed on demand as cash, rather than liquid resources. Therefore cash includes deposits where immediate access would incur a loss of interest.

Included within net movement in funds is an exceptional donation of £838,992 this is the transfer of the net assets and liabilities of YMCA Sefton Limited following the merger with City of Liverpool YMCA.

**CITY OF LIVERPOOL YOUNG MEN'S CHRISTIAN ASSOCIATION (INC.)**

**NOTES ON FINANCIAL STATEMENTS**

**31 March 2018**  
**(continued)**

**21 Financial risk management objectives and policies**

The association holds or issues financial instruments in order to achieve three main objectives, being:

- (a) to finance its operations;
- (b) to manage its exposure to interest and currency risks arising from its operations and from its sources of finance; and
- (c) for trading purposes.

In addition, various financial instruments (e.g. rental debtors, trade creditors, accruals and prepayments) arise directly from the association's operations.

Transactions in financial instruments result in the association assuming or transferring to another party one or more of the financial risks described below.

**Credit Risk**

The association monitors credit risk closely and considers that its current policies of credit check meets its objectives of managing exposure to credit risk.

The association has no significant concentrations of credit risk. Amounts shown in the balance sheet best represent the maximum credit risk exposure in the event other parties fail to perform their obligations under financial instruments.

**22 Exceptional items: Donation of net assets**

Following the merger of City of Liverpool Young Men's Christian Association and YMCA Sefton, the Net assets of YMCA Sefton were incorporated in to the reporting entity by way of a donation totalling £838,992.